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# **Municipalities, Regions and County Councils in Sweden: Actors and Institutions**

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# Municipalities, Regions and County Councils in Sweden: Actors and Institutions<sup>1</sup>

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*Stig Montin*<sup>2</sup>

## Introduction

Local self-government has been recognised as a distinctive feature of the Swedish political system for many decades, and still is. The principle of the decentralised model was set down as early as 1862 when the first Local Government Act was introduced. Yet, Sweden is a unitary state, which means that the real world of local self-government is a negotiated order in the shadow of central government and the Parliament (*Riksdagen*). Although the institutional setting of local governance has fundamentally remained the same for 150 years, the role of municipalities and county councils has expanded dramatically during the development of the welfare state, especially since the 1950s. However from the 1980s onwards we have witnessed a third era of change and reform which, to some extent, challenges the fundamental image of local self-government and local representative democracy.

The first era of change was during the 1960s and 1970s when municipalities were amalgamated and turned into local welfare institutions with substantial financial, legal, political and professional resources. Mainly as a response to this expansion and resource growth, decentralisation measures were carried out expressed as a period of experimenting with “free communes” during the 1980s and after that giving municipalities freedom to organise political and administrative functions (which was laid down the new Local Government Act in 1991),

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<sup>1</sup> This text is a work in progress, prepared for publishing in Oxford Handbook of Swedish Politics (forthcoming).

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decentralisation of responsibility for primary and secondary education and the transformation of central government subsidies (from earmarked to general subsidies) in 1993. Since the late 1980s a third era of reforms can be identified. The overall direction has been movement towards the adaptation of market mechanisms as drivers for development (purchaser-provider split, competition, customer choice, privatisation and performance management), as well as increased demands for citizen involvement in handling complex policy matters and inter-municipal cooperation in order to cope with operational and strategic issues. Local government responsibility for welfare, education, economic development and broader issues related to sustainable development has increased, but also has central government control and supervision, for example concerning public purchasing, education and health care. Several changes that have taken place in legislation directed to municipalities and county councils can be regarded as adaptation to EU legislation concerning the free movement of money, people, goods and services.

Hence, circumstances for local governance have become continuously more complex. Municipalities and county councils are actors in a multi-level government system, and they are themselves multi-organisational units characterised by challenges concerning how to cope with specialisation and coordination. From this point of view, two fundamental tensions can be distinguished. The first tension is between national equality and local self-government (autonomy). More specifically, on the one hand people should have equal access to high quality of services independent of where they live. On the other hand, political priorities should make a difference and service production should be adapted to local needs (Karlsson & Montin, 2013). The second tension is specifically related to the increased complexity of local governance and can be described as tension between, on the one hand, a coherent territorial and functional unit steered and controlled by a party-based representative democratic system regarding citizens mainly as voters. On the other hand a municipality is a customer-oriented setting of professionalised, self-managed units collaborating with neighbouring municipalities and (especially in larger municipalities) and a substantial number of private providers.

Both of these tensions will be elaborated on in this chapter, with a special focus on the latter. First, an overview of the local and regional government systems will be provided, followed by an institutional overview. Emphasis is then placed on the relationship between politics and administration, increased organisational complexity, new citizen-local government relations and how the local system is coordinated. Finally, main development tendencies are summarised.

## **Local self-government**

Local self-government in Sweden is mainly defined by a clause of “general powers” in the Local Government Act (LGA, 1991:900): Municipalities and county councils may themselves attend to matters of general concern which are connected with the area of the municipality or county council or with their members and which are not to be dealt with solely by the state, another municipality, another county council or some other body. (LGA, Ch. 2, Section 1).

The principle of local self-government has always been strong in Sweden and has been further emphasised in the Constitution. Local self-government is a principle, but has never been clearly defined. What local self-government actually means in a specific historical moment is a negotiated order, negotiated primarily between the political parties and between central government and the Swedish Association of Local Authorities and Regions (SALAR). Reviewed over time, the strongest tendency is decentralisation however occasionally, and within specific policy areas, simultaneously central government control has increased. Over a period of several years, certain praxis has developed which has recently been constitutionalised. Accordingly, in the revised Constitution from 2010, there is a chapter of six articles on local authorities that has been added which includes both democratic self-government and its restrictions (Instrument of Government, Ch. 14). It primarily clarifies that decision-making powers are exercised by elected assemblies, that “local authorities are responsible for local and regional matters of public interest on the principle of local self-government”, that the “local authorities may levy tax for the management of their affairs”. In addition to the principles stated in the Constitution, the Planning and Building Act states that “planning the use of land and water areas is a matter for the municipality” (The Planning and Building Act, 1987:10), which is generally referred to as the municipal “planning monopoly”.

On the other hand it is also stated that detailed rules concerning responsibilities are laid down in law, that “local authorities may be obliged to contribute to costs incurred by other local authorities if necessary to achieve an equal financial base” (a system of financial equalisation) and, more generally, that “regulations regarding grounds for change in the division of the realm into local authorities are laid down in law”. Finally, a principle of proportionality is stated “Any restriction in local self-government should not exceed what is necessary with regard to the purpose of the restriction” (Instrument of Government, Ch. 14).

One particularly important central government instrument is the system of financial equalisation which was introduced in the mid 1960s (and has been reformed several times). Simply speaking, it means that resources from richer municipalities and regions are redistributed to poorer municipalities and regions (“the Robin Hood-tax”). The basic idea is that all citizens should have equal access to services independent of residence. Critics of the system argue that a municipality does not enjoy its just rewards for reducing unemployment or strengthening local growth, which is regarded as unfair. On the other hand, the equalisation system is fundamental for people who live in sparsely-populated areas and in municipalities suffering from the negative effects of economic globalisation.

## **Local and regional, and political and administrative institutions**

The term “local government” includes municipalities and county councils, whose territories overlap but have different areas of responsibilities. Municipalities are thus not subordinated to county councils. While municipalities are responsible for a wide range of activities, the county councils' primary responsibility is health and medical care (about 90 per cent of the budget). In four cases (Västra Götaland, Skåne, Halland and Gotland) the county councils are called regional councils. The difference between regional councils and other county councils is that the former have broader responsibilities. In addition to health and medical care, they are responsible for regional development and infrastructure planning (*see chapter by Lars Niklasson*).

To a large extent, the areas of responsibility and the content of responsibilities are regulated by national legislation, which in most cases consists of “framework legislation”. Simply speaking this means that substantial objectives are set in the legislation and local governments are then free to choose the means to achieve these objectives. Additionally, national government agencies are continuously “filling up” framework legislation with recommendations and instructions, and supervise specific sectors and policy areas at local government level. Broadly speaking, in terms of budget, about 80 per cent of all municipal responsibilities are mandatory.

Municipalities and county councils are jurisdictional units (spheres of authority), governed by councils (assemblies) and standing committees, including an executive committee. The municipal political organisation varies as concerns the number of committees and their relationships to each other, but the basic structure is regulated in the Local Government Act.



Although the organisational structure differs between municipalities, the system of party-based representative democracy is the same. In accordance with this system, every member of the council and standing committees represents a political party. The political parties nominate candidates for election. During the last few decades there have been three observable trends in the local, party-based representative system: a decreasing number of local representatives in councils and standing committees (from approximately 70,000 in 1980 to less than 40,000 in 2013) an increasing number of political parties represented in municipal councils (from usually six or seven in the 1988-1991 to more than eight in 2011-2014 in most councils), and escalating political conflicts. Most of the political parties are local branches of national parties, such as the Left Party, the Social Democratic Party, the Green Party, the Liberal Party, the Centre Party, the Christian Democrats, the Moderate Party and the Swedish Democrats (an newish party based mainly on xenophobia). In several municipalities there are also local parties.

There are several types of political majorities formed after the elections. In the 1990s one third of the municipalities had a one-party majority (mostly Social Democrats), however this model has decreased to about seven per cent of the current 290 municipalities. Minority control, which is a model in which a minority party depends on other political parties case by case, have become more common (from 6 to 17 per cent). A fairly common parliamentary situation is “grand coalitions” (one third of the municipalities) and in a few cases these coalitions are across the left-green block and the right-wing block. In approximately one fifth of the municipalities there is a single political party who can tip the balance, and this proportion has been the same since the 1990s. More conflicts occur in this latter parliamentary situation there in the other models (Gilljam & Karlsson 2012). Hence, although political complexity has increased, it does not appear to have become more difficult to form functioning majorities in the municipalities.

The *municipal council* consists of at least 21 members, the number of members being regulated and related to the number of residents entitled to vote. The regular and deputy members of the council are directly elected (nominated by political parties) at general elections. The council decides on matters concerning principal issues or matters of major importance, especially objectives, targets and guidelines, budget and taxation.

The *executive committee* is the municipal “government”. It is a coalition government because the members are proportional to the elected members of the council. In the Swedish system there is no formal mayor. In some municipalities the chair of the municipal council is called “mayor”, but this is not in a modern sense. The actual position of the chair of the executive

committee, who is usually a full-time salaried politician (*kommunalråd*), can be described as an informal executive mayor. The Swedish assembly government system is sometimes referred to as “quasi-parliamentarism” (Bäck, 2004), which means that the executive committee is elected proportionally in relation to the distribution of mandates in the assembly, but the chair and the vice chair of all standing committees are appointed by the majority.

The overall duty of the executive committee is to direct and coordinate local government activities, and supervise the activities of the other committees and the municipal enterprises. Furthermore, the executive committee prepares or pronounces on business to be transacted by the council, takes charge of financial administration, gives effect to council decisions and generally performs the tasks entrusted to it by the council. Due to the prominent role of the executive committee, most decisions taken in the council are previously settled in the committee. Thus, ever since the 1960s, the council has recurrently been described as more or less a registration unit for decisions already made in the executive committee. However there are variations. In some municipalities the political party groups are more dynamic and active in council than in others.

The standing committees are, to some extent, autonomous in relation to the council and to the executive committee. Neither the council nor the executive committee is allowed to intervene when standing committees execute their authority according to national legislation, such as the Education Act, the Social Services Act and environmental legislation. The logic behind this “dualism” is that the standing committees are primarily responsible for implementing national policies and laws, while the municipal council makes overall priorities concerning financial and other conditions for this implementation. For example, school legislation, national curricula and central government agencies state the substantial goals for education and carry out evaluations and inspections, while the municipality is the formal responsible authority for providing the preconditions for achieving these goals (hires teachers, provides premises etc.).

Municipalities and county councils are organised in different ways. Variations have increased since the 1990s and there is no overall or systematic categorisation at hand. Broadly speaking, there are five different models. The still most common way to organise standing committees and administration is according to a *sector model*. This is a model where each committee is responsible for one or more sectors (such as education, social services, culture, construction and environment) and the administration and service business is subordinated the committees.

However, the actual distribution of responsibility differs between municipalities. There is no universal definition of, for example, an education committee.

Secondly, in the 1980s, a sub-municipal reform was introduced and several municipalities became organised according to a *territorial model*. By 1991, 23 municipalities had divided their territories into sub-units governed by sub-municipal or sub-city councils. They were mainly granted authority for “soft” sectors such as culture, leisure, primary education and social services. In some counties there were sub-county councils responsible for primary health care. However, by the beginning of the 21st century most of the municipalities and all county councils had abolished these sub-units. However, the three largest cities (Stockholm, Gothenburg and Malmö) have retained this territorial model.

Thirdly, several municipalities and county councils chose a *functional model*. One of the most important changes in the 1991 LGA was that municipalities and county councils became entitled to decide on their own political and administrative organisation. The only compulsory bodies left are the council and the executive committee (and also an election committee). Different organisation structures were implemented across the country. At the time, one of the most popular organisations was termed the “purchaser/provider model”, which basically means that one type of committee was responsible for purchasing and financing, while another types of committee were responsible for the “production” of services (Montin, 1992). Although the label as such has almost disappeared, the principle of division of functions has survived and further developed (especially in larger municipalities) into a system where “ordering” committees makes contracts with internal or external providers. For larger municipalities and county councils this financing/production split is the most common form and the discussion is not so focussed on the pro and cons of this organisational logic anymore. Instead questions are raised on how politically-responsible committees can follow up and control external providers. Fourthly, several smaller municipalities have established a *centralised model*. In this model all standing committees have been abolished and authority has been moved to the executive board (Karlsson et al., 2009).

Last but not least, an increasing number of municipalities and county councils have more recently developed institutionalised collaboration by introducing a *joint committees model*. An example is when two or more municipalities have a joint committee for secondary education. In general there is a strong tendency to inter-municipal cooperation and collaboration. There are great variations in size of municipalities, from Stockholm (approximately 900,000 inhabitants)

to Bjurholm (3,000 inhabitants). The system of financial equalisation prevents these variations impacting on welfare services. However, there are significant incentives for small municipalities to cooperate. Small municipalities do not often possess the necessary professional resources to meet citizen needs and demands and fulfil the increasing expectations stated in national laws, regulations and more general political goals. Inter-municipal cooperation is common between municipalities and between county councils and has increased since the 1990s. Cooperation takes different, more or less institutionalised, forms such as joint committees, inter-municipal associations, agreements, projects and networks. Motives for cooperation have expanded over time (Gossas, 2006). First they mainly concerned joint service delivery for example public transport, energy supply, waste management and emergency services. Later on, cooperation has been initiated arguing that it will increase regional identity and regional economic growth. Especially in the latter sense, cooperation has been encouraged by central government. Special priorities have been placed on projecting infrastructure (especially for public transport), coordination between municipal land use planning, regional transport planning and regional growth programmes. However, institutional factors such as municipal land use planning monopoly and the constitutional principle of local self-government in general have been regarded as obstacles to intensified cooperation (Rader Olsson and Cars, 2011). In several municipalities the principle of local self-government, often described in terms of “local identity”, imposes limits on the extent of collaboration. There is a recurrent debate on the issue of a new amalgamation reform, but so far most municipal politicians reject this idea.

## **Politics and administration**

Issues concerning the relationship between politics and administration, or more specifically, the relationship between politicians and professional managers and administrators have been discussed since the 1970s. Broadly speaking, there are two contradictory images supported by empirical evidence. The first image is that municipal professional administrators (*tjänstemän*) are powerful and thus pursue policies that politicians react to and follow. A different image is that politicians enjoy ultimate power. As employers they can always dismiss managers from their positions. The power of the municipal manager is delegated power.

Due to the complexity of the municipal organisation, there are different categories of professional administrators. In direct relationship to the executive board and to the standing committees there are two types of positions that may be distinguished. First, there are those who

handle strategic tasks such as preparing plans, budget and other decisions, especially the municipal officer (*kommundirektör*). Secondly, there are managers at different levels, such as chief administrative officers and middle managers. A comparative case study on planning processes indicates that what could, on the surface, be interpreted as the power of professional planners actually is a process of anticipation. Very few professional planners propose anything that has not formally or informally gained acceptance among leading politicians. The interaction within planning processes can be described as “politicians influence professional administrators, who in their turn influence politicians” (Bengtsson, 2012). Research based on a national survey covering council members from all Swedish municipalities reveals that political strength in relation to local administrators varies to a great extent according to the size of the municipality, which means that the political role of administrators is stronger in smaller than in larger municipalities (Karlsson, 2013). The political context, such as the degree of political dispute and public attention paid to them, is also important. Especially public attention paid to a policy issue is positively associated with a more reflective approach among politicians, which means that they are more open for influence from professional administrators and planners (Lundin & Öberg, 2013).

One particular relationship, which has increasingly become of interest, is that between the chairs of the executive committees (CEC) and the municipal officer (MO), who may be described as having “overlapping roles” (Bergström et al., 2008). They are at the apex of two pyramids: the political and the administrative. The CEC has been defined as an informal mayor which means that she/he does not have a formal mandate, but the position is practically at least as powerful as formal mayors in other European local government systems (Bäck, 2005). Swedish local governance, as well as in other local government systems, is characterised by weak formal institutions and hence strong informal processes (Karlsson, 2012; Copus and Erlingsson, 2013).

The powerful positions of CECs and MOs have developed gradually due to the process of professionalization and the expansion of municipal activities. In order to balance the knowledge advantage of administrators, the number of full-time and part-time politicians has increased, which has contributed to a hierarchization of the political organisation. According to the LGA, all representatives are equal. There are no special formal rules related to whether representatives are part-time politicians or full-time politicians. In practice, however, there is a major difference between being an unsalaried lay politician and a part or full-time salaried politician. Over the decades, the number of representatives has continuously decreased, but the

number of part and full-time employed politicians (*kommunalråd*) has increased. This can be interpreted as a trend towards informal political professionalization (Montin, 2005). Generally speaking lay politicians, who are supposed to be the carriers of local democracy, have lost much of their day-to-day political control. Some policy matters have become strategic and are now in the hands of salaried politicians. Other matters have been delegated further down in the administrative and professional organization.

In municipalities and county councils/regions, only political units (the council and standing committees) have decision-making power, not individual politicians or managers/administrators. The latter are still hardly mentioned in the Local Government Act. All municipal employees are recognised as “assisting” standing committees in terms of handling daily matters and implementing political decisions only. Recently, SALAR has suggested that the relationship between political and administrative leaders ought to be regulated and the issue is also under consideration in a review of the Local Government Act (Government Directive, 2012) commissioned by government central. However, so far advocates of regulation have failed to make their argument strong enough to actually challenge the old institutions, especially if a formal demarcation will bring restrictions for leading politicians. The traditional principle of political sovereignty has been heavily challenged by rather different NPM ideals of how to manage a modern municipality, and several large municipalities have formed informal demarcations between political and professional managers. The old image of political sovereignty still represents the basic ideal of local democracy and establishing formal demarcations would, for many local politicians, be considered as giving too much power to the professional administration.

## **Increased complexity**

Until the 1990s, social services were almost completely provided in-house in what was part and parcel of the local welfare state. Schools (primary and secondary) were also almost exclusively municipally managed. Municipalities and county councils were regarded as important institutions in the universal welfare state guided by values of national equality, and for that reason local welfare services would be held together. The future wave of corporatisation, contracting out and customer choice was not foreseen at the time. An important driver behind the change was increasing professionalization along with financial problems by the end of the 1980s.

Professionalization has become a trademark in local government. In this respect there is a historically-important difference between municipalities and county councils. Due to fact that health and medical care have always been the primary responsibility of the county councils, medical professions have all ways been strong. In the municipalities, on the other hand, a cultural shift took place during the 1960s and 70s which has been described as a transformation from “administration by laymen” towards “administration by professionals” (Strömberg and Westerståhl, 1984). Professionalization has increased ever since. By the late 1980s, managers received more responsibility in terms of balancing needs and resources and this was further facilitated by the new LGA in 1992. In relation to this internal delegation, the idea was to develop a ‘new’ role for the elected representatives. Arms-length political control was introduced, such as management by objectives (MbO), management by results (MbR), and purchaser/provider models. Politicians should be able to focus on strategic issues rather than on time-consuming, day-to-day politics. Today, nearly all municipalities have some type of MbO/MbR, and most municipalities use some type of internal contract system. Along with this, internal managerialism initiatives were gradually taken in order to increase management autonomy by creating municipal companies and contracting out welfare services.

Public utilities, such as electricity, public transport and refuse collection have, to a great extent, been privatised or contracted out. Other public utilities such as municipal housing, water and waste disposal, real estate management and private company services have, to a large extent, been transformed into municipal corporations. Since the 1980s corporatisation has occurred in two waves. From the end of the 1980s to the mid-1990s there was a first wave, when a couple of hundred corporations were established. The second wave was from 2007 and the number of completely and partly-owned municipal companies rose to more than 1 700 in 2012, which on average would be about six companies in each municipality. However, most corporations are situated in larger cities and their business mainly consists of private company services and real estate management. In terms of employment, the largest corporations are within the area of energy and water supply. Between 2004 and 2009, total turnover of municipal corporations increased by 27 per cent.

Private entrepreneurs within “soft” sectors, such as hospital care, elderly care, primary and secondary education (free schools) and preschools have increased substantially since the 1990s. All private providers gain their revenue from tax es, which means that “privatisation” stands for management but not financing and regulation. Purchase from private health and medical care providers increased 10 per cent between 2001 and 2010. The increase will continue due to the

regulated freedom of establishment of private primary care providers from 2010. From 2000 to 2010, private care for elderly and disabled people increased by approximately 12 per cent. The number of private primary schools increased by 10 per cent between the late 1990 and 2010 and the number of free secondary schools increased by 20 per cent. In total, the costs for purchasing from private providers in municipalities and county councils increased from EUR 9.22 to 13.74 billion between 2007 and 2011 (Swedish Government Official Report 2013:53).

In addition, a “system of choice” (*Lagen om valfrihet*) regarding services within health (primary health care) and social (home-help) services for elderly and disabled persons was introduced in 2009. This system of choice means a procedure where the individual is entitled to choose the supplier to perform the service and with which a contracting authority (municipality or county council) has approved and concluded a contract. This legislation is compulsory for county councils but voluntary for municipalities. In 2014 a government commission suggested that all municipalities should be obliged to create conditions for users to choose between various providers of home-help services. Approximately 180 of the 290 municipalities had introduced this system by 2014.

Hence, management of municipal soft sectors have been subjected to rather extensive change, mainly since 2006 when the right-wing alliance government intensified the market-oriented approach. This has caused intensive political discussions, especially concerning the opportunities for private providers of education, health care and social care to generate profit for their owners (which are often venture capital corporations). One specific issue that has been discussed is if the introduction of free schools and the freedom of choice of schools has caused increased social and economic segregation. According to some studies, differences between individual schools and municipalities in terms of results have increased since the 1990s and this can be related to the freedom of choice system. However, according to other studies this development would have taken place anyhow and still others argue that recent reforms within the education sector provide opportunities to break this trend. Hence, primary and secondary education is a matter of tension between national equity and local self-government, as well as ideological conflicts concerning to what extent local governance should be controlled by consumer choice and the logic of the market.

Standing committees execute the political responsibility of public care and services at local government level, irrespective of whether public or private suppliers provide the service. This means that a committee must “ensure that activities are conducted in accordance with the goals



and guidelines resolved by the assembly and with the provisions applying to the activities”. It is also stated that the politically-responsible committee will ensure that “checks are sufficient” and that “the activities are otherwise carried out in a satisfactory way” (LGA, Chap 6, Section 7). This includes in-house as well as private providers. In order to fulfil political responsibility and accountability, an overall control of output is necessary. When it comes to private providers it is stated that the assembly “shall ensure that the municipality ... is guaranteed an opportunity to check and follow up on the activity”. However, according to several reviews there is a lack of systematic control and follow up of private provider activities (Swedish Government Official Report 2013:53).

In order to place emphasis on local political responsibility and accountability, an expert committee appointed by central government has recently proposed a change in the Local Government Act consisting a formal requirement for the municipal council to adopt a programme for how to follow up and control in-house and external providers of welfare (Swedish Government Official Report 2013:53). This proposal is in line with the intensified orientation towards performance scrutiny (supervision, inspections, evaluations, quality measurements, benchmarking etc.) now taking place at national level (Johansson & Montin, forthcoming). National agencies, such as the Inspectorate of Health and Social Care and the Schools Inspectorate, have been commissioned to increase their scrutiny of public and private providers. Furthermore, SALAR, together with the National Board of Health and Welfare, are developing national quality standards and several interest organisations and private consultants are establishing ranking lists of municipalities and service providers. In general, there is widespread recognition of an increasingly “audit society” in Sweden with specific focus on health care, social services and education. For example, in a review of the development within education commissioned by central government it is critically remarked that “ ‘decentralised management by objectives’ has been replaced by a ‘centralised performance-based management’ ”. (Swedish Government Official Report 2014:5, p. 30)

## **Citizens and local government**

Since 1970, elections to municipal councils, county/regional councils and the *Riksdag* are held on the very same day. In this respect, the Swedish system is quite unique. In most other European democracies, national and local elections are held on separate election days. As in many other countries, a general trend away from voting and participating in political parties

towards other forms of citizen participation can be observed at local and regional government level. Several political parties have proposed, from time to time, separate election days however facing possible constitutional and political consequences, most have ended up in a status quo position. The primary argument has been that in countries where election days are separate, election turnout is lower than in Sweden (Montin, 2007). However, less challenging initiatives have been taken in order to increase citizen participation at local government level.

During the 1980s, central government and many local political leaders argued that collective user involvement (voice) should be an important measurement for improving small-scale local democracy. It was sometimes regarded as a "school in democracy" and as a possible entrance into more large-scale democracy and would thus increase the number of members in local branches of political parties. Research indicated that user-boards in schools could have a positive impact on learning processes about democracy, given that the relationship between municipal institutions and the user-boards was characterised by dialogue and cooperation (Jarl, 2005). However, user democracy went out of fashion and instead it was gradually more or less replaced by ideas of competition between service producers and "freedom of choice". By way of introduction, "internal competition" was launched as a soft version however in the 1990s political support for opening up for private competitors in education, health services, medical services and care of the elderly became increasingly apparent. The focus changed from citizens as end-users towards citizens as consumers (Elander and Montin, 1995). According to recent analysis of citizen surveys between 1992 and 2010, it has become more common that citizens prefer a mixed welfare model (public-private mix of providers), especially in municipalities where welfare services are, to a large extent, carried out by private actors (Edlund & Sevä, 2013).

In addition to voting, citizen participation has a long tradition in Sweden. For example, participation and mobilisation within democratic organisations (popular movements) was important for the development of national democracy and the building of the welfare state. Some organisations have lost their attraction, while other types of political organisation have increased their membership. Political participation through digital channels has increased. A historically more recent phenomenon, which began in the late 1970s and increased in the 2000s is the idea of inviting citizens to take part in different policy processes (Karlsson, M., 2013). In Sweden the contemporary concepts used are citizen dialogues or plain citizen perspectives. Various forms of contacts between citizens and local politicians and professionals can be found behind this label, such as service priorities, safety walks, development of new services, urban renewal and spatial planning.

It should be noted that citizen dialogues differ from previous ideas of participatory democracy, which were often described as bottom-up initiated activities. Nowadays they can be framed as institutional capacity building (Smeby and Neij, 2013), and initiatives are often taken from local governments themselves. Thus, it is not about changing the decision-making system, but recruiting citizens as co-creators of local policy.

The ideal of the individual, rational consumer of services and the concept of the collectively-oriented citizen involved in local matters are quite different and place rather contradictory expectations on the inhabitants of a municipality. However, they can be regarded as two different ingredients in the same discourse, and this discourse is the distribution of risk and responsibility. In the first case, citizens are encouraged to make their own choices and also bear responsibility for making wrong choices. This can be interpreted as ways of privatizing politics. In the second case, people are encouraged to take part, but also to undertake co-responsibility for dealing with common issues.

## **Political coordination**

Corporatization, contracting out and the rising number of free schools has led to increasing institutional complexity of public service provision. However, municipal policy formation has not echoed such complexity. First, still the most important institution for holding it all together is the political party. In the council and the standing committees the members constitute party groups (naturally depending on the number of mandates). The overall municipal organisation of the political party coordinates the policy-making, and controls the political positions among its members. In this process, the leading councillors (*kommunalråd*), such as the chair of the executive committee, possess decisive power. However other full, or part-time politicians are important in the policy process in positions such as political secretaries. However, the political party usually means a rather distinguished elite. For instance, council party groups can become detached from party organisation and grass-root party members (Copus and Erlingsson, 2013).

Second, according to a comparative and longitudinal study of local government leaders there are, on the one hand, tendencies towards increasing contacts between local political leaders and civic organisations, such as neighbourhood organisations and the public in general. Contacts with regional government actors have also increased. However, these contact patterns are not entirely new. What nowadays is referred to as governance networks has always been common at local government level, but the phenomenon has increased (Hall et al., 2009). On the other

hand the internal, informal local government power structure, which was empirically discovered in the mid-1980s, was similar to that found in 1999 and in 2005:

*"The core triangle of the Swedish local power elite includes its administrative and political executive as well as its local party organizations. Thus, local governance equals local government: those most frequently contacted for support within the local elite group are also the most powerful according to the formal organization of local government."* (Szücs and Strömberg, 2006:53)

There are no reasons to suspect that any fundamental change in this respect has taken place since 2005. Although governance networks have become more extensive, the iron triangle of local government still remains.

## **Summary**

Two tensions were outlined in the introduction: that between central control and local self-government, and between coherence and fragmentation in local governance. In this concluding section some of the main tendencies are summarised in relation to these tensions.

First, after an era of decentralisation, central state control began to increase in the 1990s and has developed further after the millennium shift. This is especially true in “soft” sectors like health care, social services and education, the main argument being that the quality of services tends to become less equal. Local self-government is still widely recognised as a basic value, which means that only a few forms of central state control are related to sanctions or other types of coercion. However, Sweden has tended to follow other nations in the EU into the development of an audit society.

Second, due to increasing internal delegation, corporatization, contracting out, the expansion of free schools and consumer choice there is extensive pluralism of welfare services, sometimes referred to as fragmentation. On the other hand, the basic structure of formal democratic institutions has not been changed and the fundamental political-administrative power structure is also fairly intact. However, the local institutional settings of the political-administrative elite are mainly informal. According to contemporary discussions on these matters, the trend is development towards a formalization of the relationship between politics and administration.

A third theme is the contemporary development of the relationship between local/regional public authorities and citizens. These have developed along two parallel, but also interrelated, pathways. The first is increasing expectation of citizens as rational consumers (customers) of publicly-financed services and the second is increasing expectation of citizen participation in local policy making, especially in urban renewal processes, spatial planning and sustainable development. Although these two constructions of citizens may be seen as conflicting; one that privatizes politics while the other is oriented towards collective active citizenship, it appears that both of them are combined at municipal level.

Fourth, although inter-municipal cooperation has a long history, it has begun to be regarded as increasingly important for mobilisation of common resources. Initiatives for cooperation are taken from below, but are also encouraged by central government. However, there are also tensions in this process. On the one hand municipalities cooperate for resource mobilisation and for strategic reasons in order to facilitate regional growth, on the other hand the values of local self-government are considered to be very important, especially among citizens and politicians in smaller municipalities.

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